

STATE FIRE AND TORNADO FUND
INVESTMENT PERFORMANCE REPORT AS OF SEPTEMBER 30, 2004

	September-04					August-04				July-04				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Quarter	Month	Month	Market Value	Allocation	Month	Month	Market Value	Allocation	Month	Month	Net	Net	Ended	Ended
		Actual	Policy	Net ROR	Net ROR											6/30/2004	6/30/2004
																Net	Net
LARGE CAP DOMESTIC EQUITY																	
<i>Structured Growth</i>																	
Los Angeles Capital	486,381	2.2%	2.3%	-4.14%	1.34%	462,701	2.2%	2.3%	-0.39%	464,728	2.1%	2.3%	-5.03%	-4.14%	N/A	N/A	N/A
Total Structured Growth	486,381	2.2%	2.3%	-4.14%	1.34%	462,701	2.2%	2.3%	-0.39%	464,728	2.1%	2.3%	-5.03%	-4.14%	17.58%	-6.28%	-7.85%
<i>Russell 1000 Growth</i>				-5.23%	0.95%				-0.49%				-5.65%	-5.23%	17.88%	-3.74%	-6.48%
<i>Structured Value</i>																	
LSV	530,410	2.4%	2.3%	3.21%	3.01%	496,322	2.4%	2.3%	1.42%	489,248	2.3%	2.3%	-1.21%	3.21%	30.56%	9.33%	8.36%
<i>Russell 1000 Value</i>				1.54%	1.55%				1.42%				-1.41%	1.54%	21.13%	2.96%	1.87%
<i>Russell 1000 Enhanced Index</i>																	
LA Capital	1,036,138	4.6%	4.5%	-1.68%	1.72%	981,966	4.7%	4.5%	0.22%	980,277	4.5%	4.5%	-3.56%	-1.68%	N/A	N/A	N/A
<i>Russell 1000</i>				-1.81%	1.26%				0.49%				-3.51%	-1.81%	N/A	N/A	N/A
<i>S&P 500 Enhanced Index</i>																	
Westridge	1,006,796	4.5%	4.5%	-1.99%	0.93%	960,001	4.6%	4.5%	0.43%	956,376	4.4%	4.5%	-3.30%	-1.99%	N/A	N/A	N/A
<i>S&P 500</i>				-1.87%	1.08%				0.40%				-3.31%	-1.87%	N/A	N/A	N/A
<i>Index</i>																	
State Street	303,042			-1.88%	1.08%	289,072			0.41%	287,952			-3.32%	-1.88%	19.01%	-0.75%	-2.28%
Total Index	303,042	1.4%	1.5%	-1.88%	1.08%	289,072	1.4%	1.5%	0.41%	287,952	1.3%	1.5%	-3.32%	-1.88%	19.01%	-0.75%	-2.28%
<i>S&P 500</i>				-1.87%	1.08%				0.40%				-3.31%	-1.87%	19.11%	-0.70%	-2.21%
TOTAL LARGE CAP DOMESTIC EQUITY	3,362,769	15.1%	15.0%	-1.42%	1.57%	3,190,062	15.1%	15.0%	0.39%	3,178,581	14.7%	15.0%	-3.33%	-1.42%	21.46%	0.15%	-1.39%
<i>S&P 500</i>				-1.87%	1.08%				0.40%				-3.31%	-1.87%	19.11%	-0.70%	-2.21%
SMALL CAP DOMESTIC EQUITY																	
<i>Manager-of-Managers</i>																	
SEI	1,159,375	5.2%	5.0%	-3.60%	5.35%	1,003,158	4.8%	5.0%	-1.26%	1,016,301	4.7%	5.0%	-7.32%	-3.60%	32.99%	5.51%	N/A
<i>Russell 2000 + 200bp</i>				-2.36%	4.86%				-0.35%				-6.57%	-2.36%	35.99%	7.90%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	1,159,375	5.2%	5.0%	-3.60%	5.35%	1,003,158	4.8%	5.0%	-1.26%	1,016,301	4.7%	5.0%	-7.32%	-3.60%	32.99%	5.54%	7.29%
<i>Russell 2000</i>				-2.86%	4.69%				-0.51%				-6.73%	-2.86%	33.36%	6.24%	6.63%
CONVERTIBLES																	
TCW	2,232,253	10.0%	10.0%	-4.35%	1.31%	2,064,160	9.8%	10.0%	-0.54%	2,077,488	9.6%	10.0%	-5.08%	-4.35%	17.50%	1.03%	3.90%
<i>First Boston Convertible Index</i>				-1.05%	1.78%				-0.30%				-2.49%	-1.05%	14.16%	4.89%	5.75%
INTERNATIONAL EQUITY																	
<i>Large Cap - Active</i>																	
Capital Guardian	1,778,848	8.0%	8.0%	-1.77%	1.41%	1,668,334	7.9%	8.0%	0.34%	1,664,910	7.7%	8.0%	-3.47%	-1.77%	25.36%	-0.39%	0.54%
<i>MSCI EAFE - 50% Hedged</i>				-0.72%	2.02%				0.12%				-2.80%	-0.72%	26.98%	-1.27%	-2.14%
<i>Small Cap - Value</i>																	
Lazard	238,986	1.1%	1.0%	0.29%	2.98%	232,516	1.1%	1.0%	0.47%	231,837	1.1%	1.0%	-3.07%	0.29%	43.30%	N/A	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				-0.82%	2.50%				1.00%				-4.20%	-0.82%	47.95%	N/A	N/A
<i>Small Cap - Growth</i>																	
Vanguard	227,049	1.0%	1.0%	0.49%	2.58%	222,330	1.1%	1.0%	0.81%	220,408	1.0%	1.0%	-2.82%	0.49%	44.68%	N/A	N/A
<i>SSB BROAD MARKET INDEX < \$2BN</i>				-0.82%	2.50%				1.00%				-4.20%	-0.82%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	2,244,882	10.1%	10.0%	-1.31%	1.69%	2,123,180	10.1%	10.0%	0.41%	2,117,154	9.8%	10.0%	-3.35%	-1.31%	29.16%	1.02%	1.39%
<i>MSCI EAFE - 50% Hedged</i>				-0.72%	2.02%				0.12%				-2.80%	-0.72%	26.98%	-1.27%	-2.14%
DOMESTIC FIXED INCOME																	
<i>Core Bond</i>																	
Western Asset	3,929,204	17.6%	16.7%	3.52%	0.25%	3,743,942	17.8%	16.7%	2.03%	3,877,851	17.9%	16.7%	1.20%	3.52%	2.42%	7.77%	8.10%
<i>Lehman Aggregate</i>				3.20%	0.27%				1.91%				0.99%	3.20%	0.32%	6.35%	6.95%
<i>Index</i>																	
Bank of ND	4,944,668	22.2%	25.0%	2.54%	0.16%	4,815,082	22.8%	25.0%	1.61%	5,005,681	23.1%	25.0%	0.77%	2.54%	0.07%	7.10%	7.25%
<i>Lehman Intermediate Gov/Credit (1)</i>				2.71%	0.17%				1.67%				0.84%	2.71%	-0.05%	6.97%	7.25%
<i>BBB Average Quality</i>																	
Strong	2,202,885	9.9%	8.3%	4.51%	0.70%	2,089,380	9.9%	8.3%	2.40%	2,154,964	10.0%	8.3%	1.35%	4.51%	1.18%	N/A	N/A
<i>Lehman US Credit BAA</i>				4.76%	0.75%				2.55%				1.40%	4.76%	1.96%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	11,076,757	49.7%	50.0%	3.27%	0.30%	10,648,404	50.5%	50.0%	1.91%	11,038,496	51.0%	50.0%	1.03%	3.27%	0.79%	7.00%	7.45%
<i>Lehman Gov/Credit</i>				3.56%	0.35%				2.12%				1.06%	3.56%	-0.72%	6.73%	7.10%
CASH EQUIVALENTS																	
Bank of ND	2,221,762	10.0%	10.0%	0.44%	0.15%	2,057,333	9.8%	10.0%	0.15%	2,206,612	10.2%	10.0%	0.14%	0.44%	1.20%	1.72%	3.39%
<i>90 Day T-Bill</i>				0.37%	0.13%				0.12%				0.12%	0.37%	0.98%	1.71%	3.30%
TOTAL FIRE & TORNADO FUND	22,297,799	100.0%	100.0%	0.64%	0.99%	21,086,298	100.0%	100.0%	0.85%	21,634,632	100.0%	100.0%	-1.18%	0.64%	9.98%	4.82%	5.23%
POLICY TARGET BENCHMARK				1.22%	0.96%				1.09%				-0.82%	1.22%	8.00%	4.52%	4.67%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.